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*Attorneys for Josias Dewey, Court-appointed
Receiver for Receivership Entities*

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

TITANIUM BLOCKCHAIN
INFRASTRUCTURE SERVICES,
INC.; EHI INTERNETWORK AND
SYSTEMS MANAGEMENT, INC.
aka EHI-INSM, INC.; and MICHAEL
ALAN STOLLERY aka MICHAEL
STOLLAIRE,

Defendants.

Case No. 18-4315 DSF (JPRx)

**RECEIVER'S NOTICE OF
RETENTION OF KROLL CYBER
SECURITY AS FORENSIC EXPERT
AND INVESTIGATIVE
CONSULTANT; [PROPOSED]
ORDER APPROVING OF SAME**

NOTICE AND REQUEST FOR ORDER
RECOGNIZING AND APPROVING OF RETENTION OF FORENSIC
EXPERT AND INVESTIGATIVE CONSULTANT

Josias Dewey, as Court-appointed Receiver (the “Receiver”) for the estates of Defendant Titanium Blockchain Infrastructure Services, Inc. and its subsidiaries and/or affiliates (collectively the “Receivership Entities”), respectfully notifies the Parties and the Court and requests an order from the Court recognizing and approving of the retention of Kroll Cyber Security (“Kroll”) to serve as the Receiver’s forensic expert and investigative consultant in this matter. In support of this Notice and Request For Order, the Receiver states the following:

1. On May 22, 2018, the United States Securities and Exchange Commission (“SEC”) filed under seal a complaint against Titanium Blockchain Infrastructure Services, Inc. (“TBIS”), EHI Internetwork and Systems Management, Inc. a/k/a EHI-INSM, Inc. (“EHI”), and Michael Alan Stollery, a/k/a Michael Stoller, a/k/a Michael Stollaire (“Stollaire” with TBIS and EHI collectively the “Defendants”) alleging that (i) Defendants have engaged in, are engaging in, are about to engage in, and unless restrained and enjoined will continue to engage in in transactions, acts, practices, and courses of business that constitute violations of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a), and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5, and (ii) TBIS and Stollaire have engaged in, are engaging in, are about to engage in, and unless restrained and enjoined will continue to engage in transactions, acts, practices, and courses of business that constitute violations of Section 5 of the Securities Act, 15 U.S.C. §§ 77e.

2. On May 23, 2018, the Court entered an order temporarily freezing all Receivership Entities’ assets and appointing the Receiver (the “TRO”). D.E. No. 2. The TRO authorized the Receiver, among other things: “to choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the receiver deems advisable or necessary in the performance of duties and

responsibilities under the authority granted by this Order, including but not limited to, the law firm in which the receiver is a partner.” TRO at Section XI(F).

3. On May 30, 2018, the Court entered a Preliminary Injunction and Order (1) Freezing Assets; (2) Prohibiting the Destruction or Alteration of Documents; (3) Granting Expedited Discovery; (4) Requiring Accountings; and (5) Appointing Mr. Dewey as the Permanent Receiver. D.E. No. 48 (the Preliminary Injunction (“PI”) Order). Like the TRO, the PI authorizes the Receiver, among other things: “to choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Preliminary Injunction, including but not limited to, the law firm in which the receiver is a partner.” PI Order at Section XI(F).

4. Pursuant to the authority granted to him by the May 23, 2018 TRO and the May 30, 2018 PI Order, and the exigent need to take immediate possession of the Receivership assets, the Receiver has retained Kroll to assist with forensic and investigative tasks attendant to fulfilling his duties as the Receiver. Kroll’s role will include:

- i. Identifying and imaging devices that might contain virtual wallets, keys, PINs, and passwords;
- ii. Securing and isolating devices to avoid data loss or data encryption;
- iii. Locating cloud computing accounts, which might also contain virtual wallets or currencies;
- iv. Interviewing employees with knowledge of the Receivership Entities’ financial assets and relevant cryptocurrency architecture; and
- v. All other forensic or investigative tasks pertinent to identifying and securing the Receivership Entities’ assets.

5. Technical and cybersecurity expertise are critical to this case. The computer - and internet - based cryptocurrency business operated by the Receivership Entities

sought to collect large amounts in digital assets from purported investors. Locating, identifying, and securing these assets, if possible, is likely to require expertise in a variety of novel technical fields. Kroll has a sophisticated team of engineers, analysts, and computer experts around the world who regularly handle a variety of cybersecurity-related matters. In particular, Kroll has prior experience that can be readily applied to the task of securing digital assets, including experience in imaging and analyzing electronic devices and assessing cryptocurrency architecture and assets. The Receiver has a need for experts with this technical know-how to carry out his duties under the PI Order.

6. The Receiver will compensate Kroll on an hourly basis, subject to applications presented to the Court and as set forth in the PI Order. The rates indicated below reflect a significant discount from the standard rates charged by the company.

Consulting Services	\$375/hour - \$650/hour
Travel Time	50% of Consultant/Engineer hourly rate
Media Preservation/Replication	\$400/media
Media / Data Storage	\$25/media/month

7. The Receiver is informed that Kroll has reviewed its conflicts database and has identified no conflicts of interest. The Receiver is further informed and believes that Kroll's impartiality would not be compromised if engaged by the Receiver as set forth in this Notice.

8. Counsel for the Receiver has conferred with counsel for the SEC as to the terms and conditions of retaining Kroll. The SEC does not oppose the retention of Kroll or this Request For Order.

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1 ACCORDINGLY, the Receiver, Josias Dewey, respectfully gives notice to the
2 Parties and to the Court of its retention of Kroll as set forth herein and requests that the
3 Court enter the attached [*Proposed*] Order recognizing and approving of said retention.
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5 Dated: June 4, 2018

Respectfully submitted,

6 /s/ Kristina S. Azlin

7 Kristina S. Azlin (SBN 235238)
8 Vince Farhat (SBN 183794)

9 *Attorneys for Josias Dewey, Court-appointed*
10 *Receiver for Receivership Entities*
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PROOF OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 400 South Hope St., 8th Floor, Los Angeles, California 90071.

On June 4, 2018, I served the document described as **RECEIVER'S NOTICE OF RETENTION OF KROLL CYBER SECURITY AS FORENSIC EXPERT AND INVESTIGATIVE CONSULTANT; [PROPOSED] ORDER APPROVING OF SAME** on the interested parties in this action as follows:

[X] (BY Electronic Transfer to the CM/ECF System) In accordance with Federal Rules of Civil Procedure 5(d)(3) and Local Rule 5-4, I uploaded via electronic transfer a true and correct copy scanned into an electronic file in Adobe "pdf" format of the above-listed document(s) to the U.S. District Court Central District of California's Electronic Case Filing (CM/ECF) system on this date.

I declare under penalty of perjury under the laws of the United States of America that the above is true and correct.

Executed on June 4, 2018, Los Angeles, California.

/s/
Kristina S. Azlin (SBN 235238)